

Major Components of Nebraska Medicaid Reform

Report of the Director of the Department of HHS Finance and Support to the Medicaid Reform Advisory Council

August 23, 2005

Summary

- ◆ Update on my activities
- ◆ Long-term care costs for the aged
- ◆ Pharmacy costs and cost controls

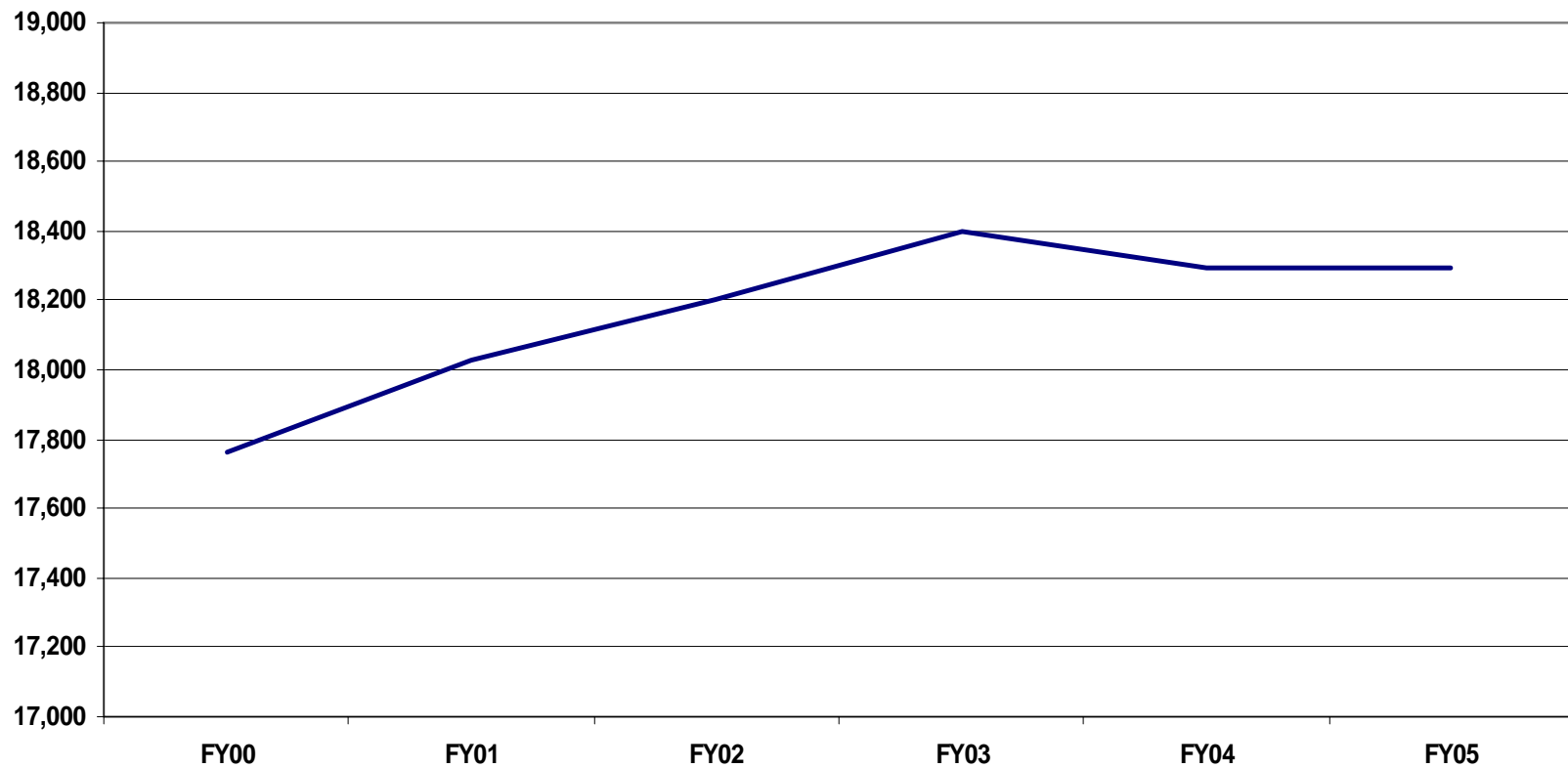
Update on Reform Activities

- ◆ HHSS work teams
- ◆ New website www.hhss.ne.gov/med/reform
- ◆ Presentations: NABHO, NHCA
- ◆ Input from interested groups

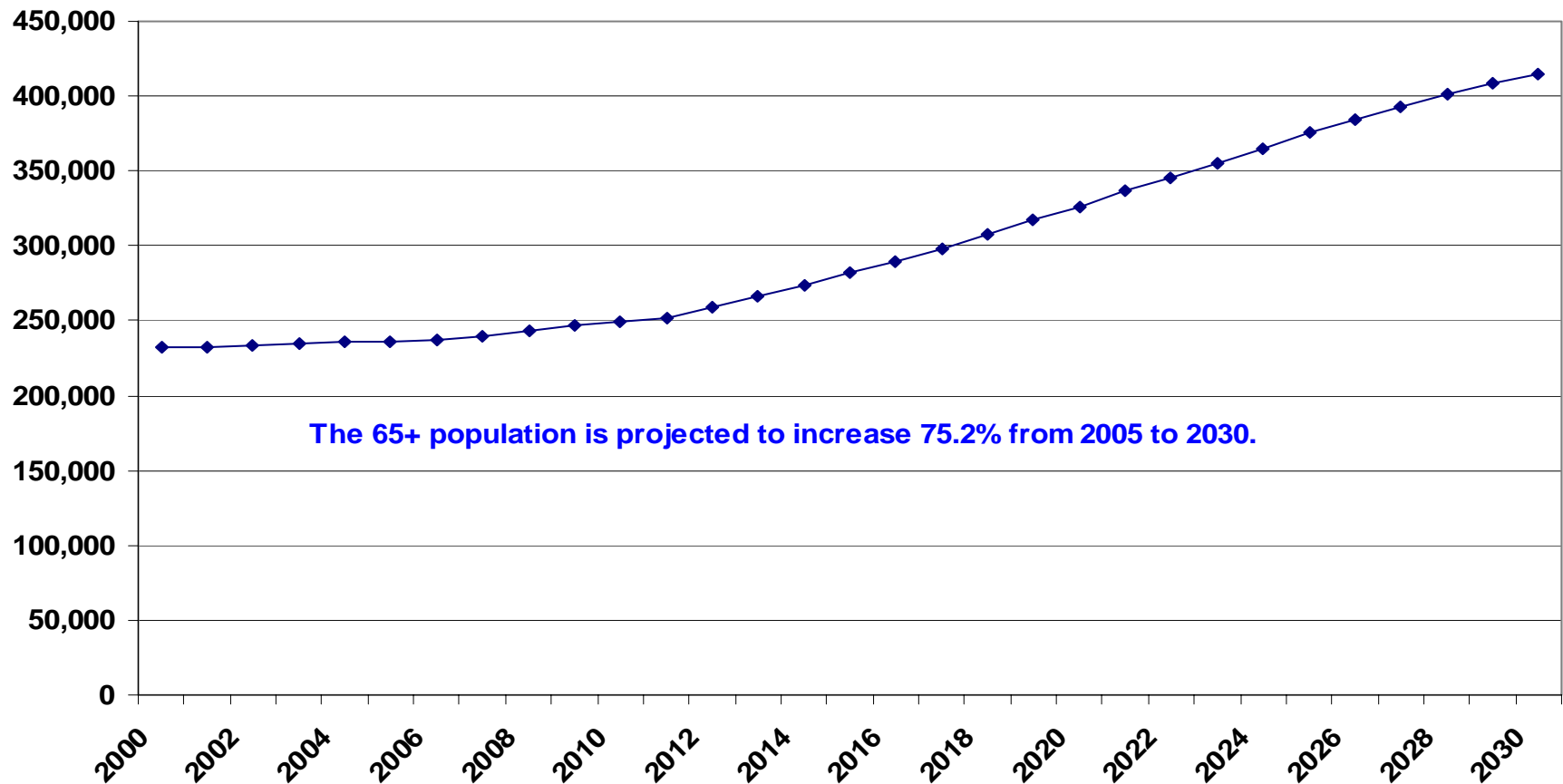
Long-term Care Expenditures for Aged

- ◆ % of 85+ population exceeds national average
- ◆ % of 65+ population exceeds national average
- ◆ % of 65+ population below federal poverty level exceeds national average

Nebraska Medicaid Average Monthly Eligibles: Aged



Nebraska Population Projections Age 65+ 2000-2030



The 65+ population is projected to increase 75.2% from 2005 to 2030.

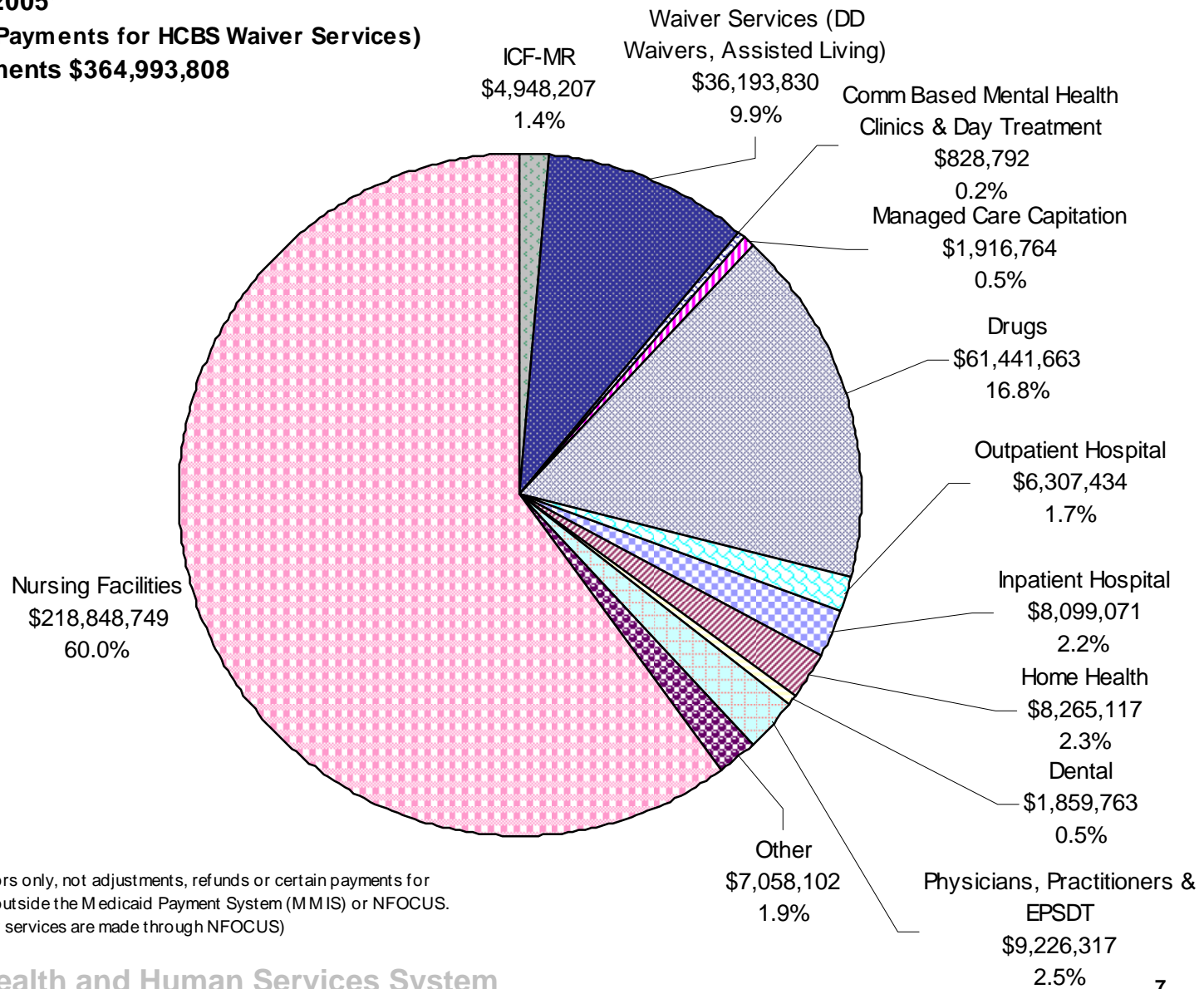
Source: University of Nebraska at Omaha; State Data Center; Population Projections February 2005 (draft)

Nebraska Medicaid Vendor Expenditures for Aged Clients by Service

State Fiscal Year 2005*

(Includes NFOCUS Payments for HCBS Waiver Services)

Total Vendor Payments \$364,993,808

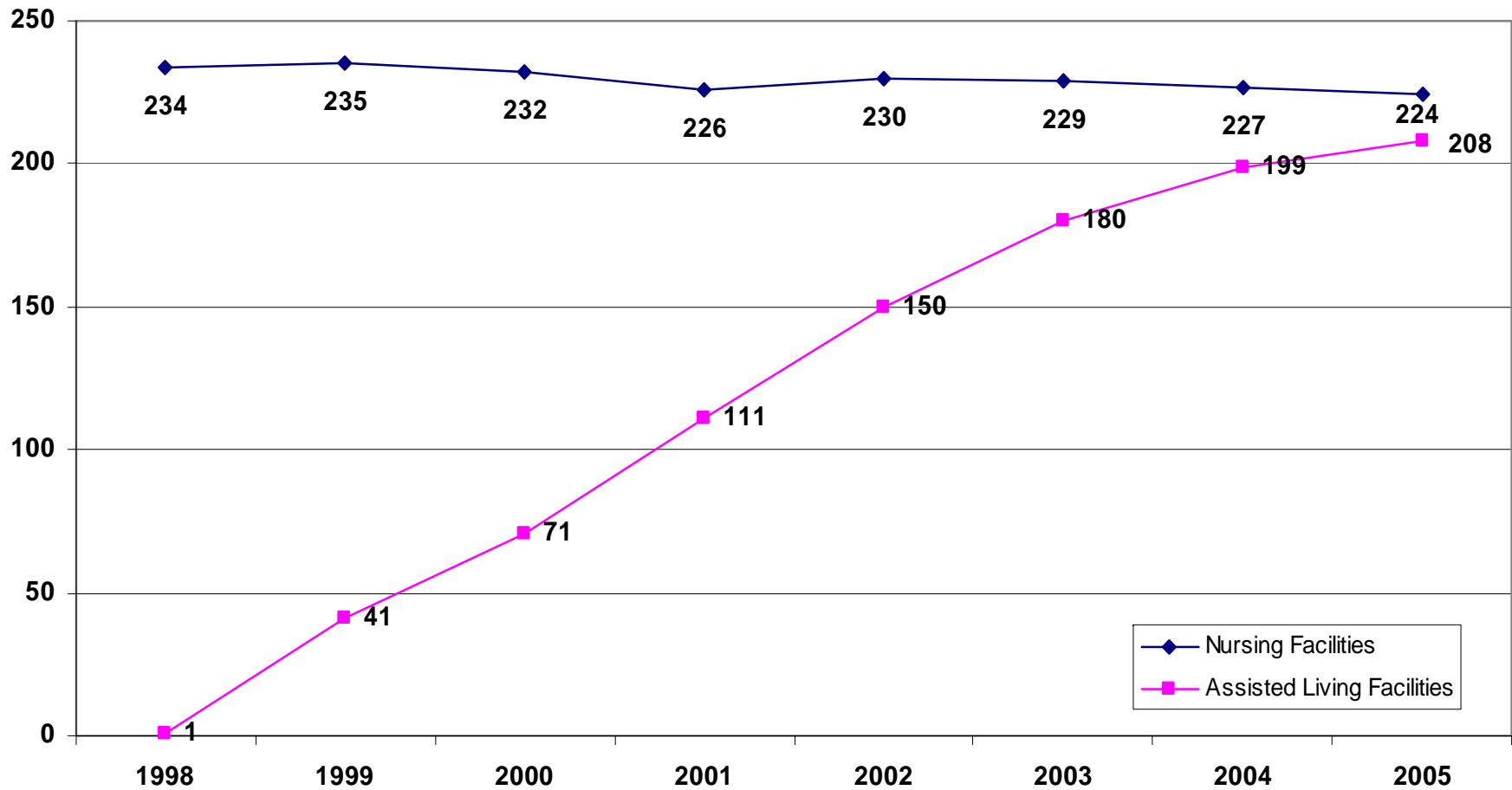


* Includes payments to vendors only, not adjustments, refunds or certain payments for premiums nor services paid outside the Medicaid Payment System (MMIS) or NFOCUS. (Payments for certain Waiver services are made through NFOCUS)

Nebraska Health and Human Services System

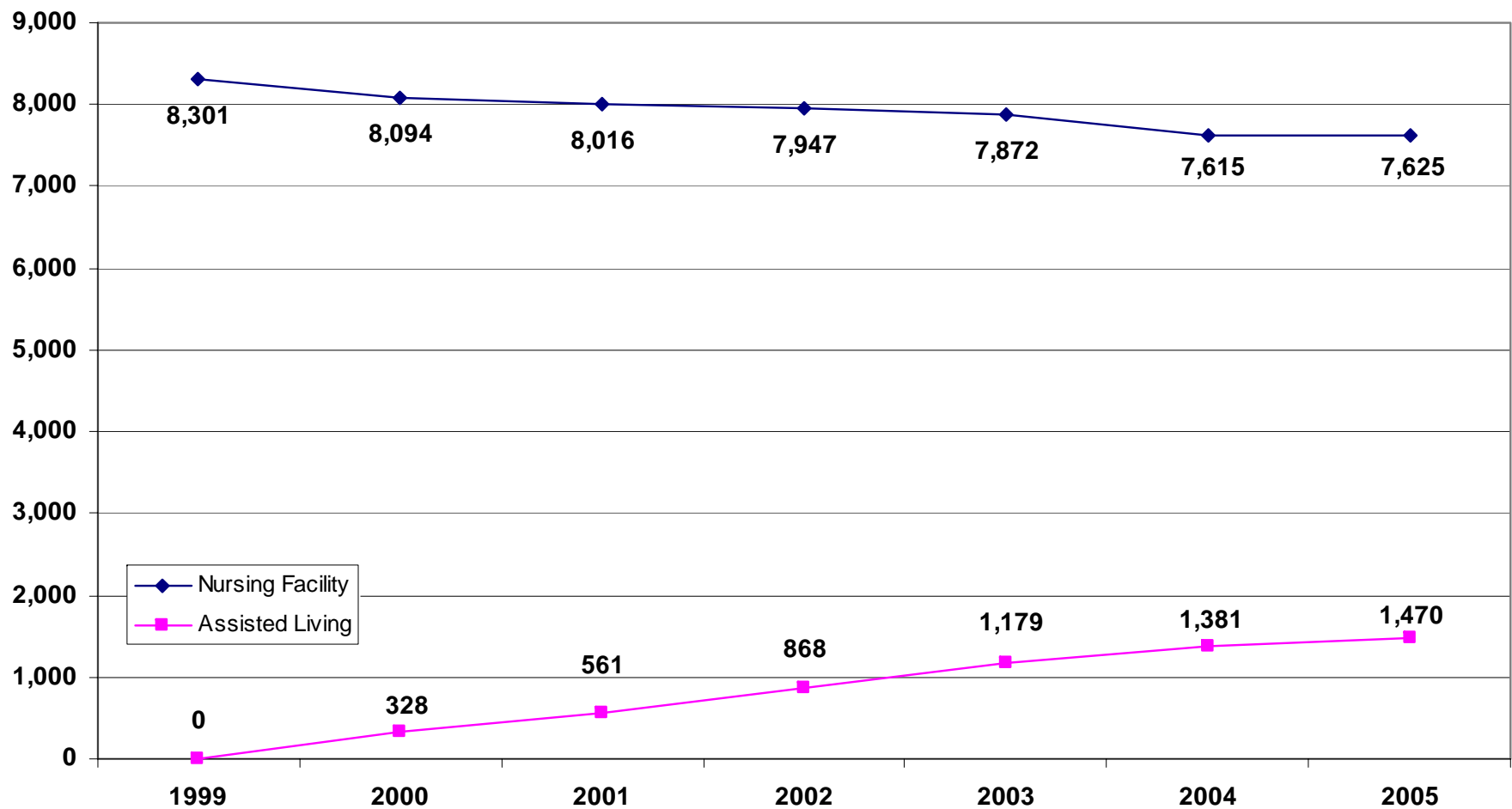
08/22/2005

Number of Nebraska Medicaid Nursing Facilities vs. Assisted Living Facilities State Fiscal Year 1998-2005



Nebraska Medicaid: Number of Nursing Facility and Assisted Living Recipients

State Fiscal Year 1999-2005



Nebraska Medicaid HCBS Cost Effectiveness (Aged)

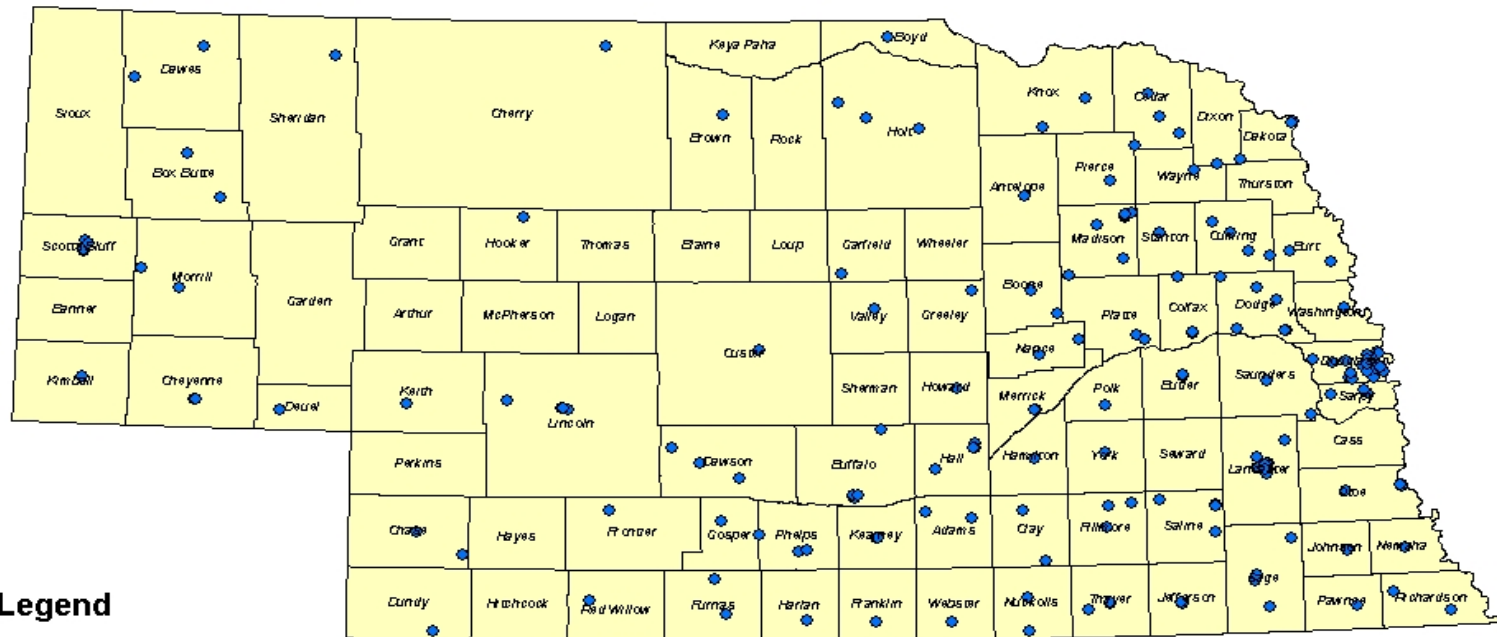
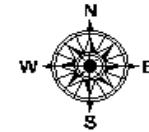
Average Cost per Day

Payments July 2004 - May 2005 for Dates of Service July - December 2004

	Rural	Urban	Statewide
Nursing Facility **	\$70	\$82	\$74
Assisted Living	\$39	\$45	\$41
Waiver In-Home	\$27	\$40	\$30
Waiver Average	\$33	\$43	\$36

** Seven lower care levels only

2005 Nebraska Nursing Homes



Legend

- Nebraska Nursing Homes
- Nebraska Counties

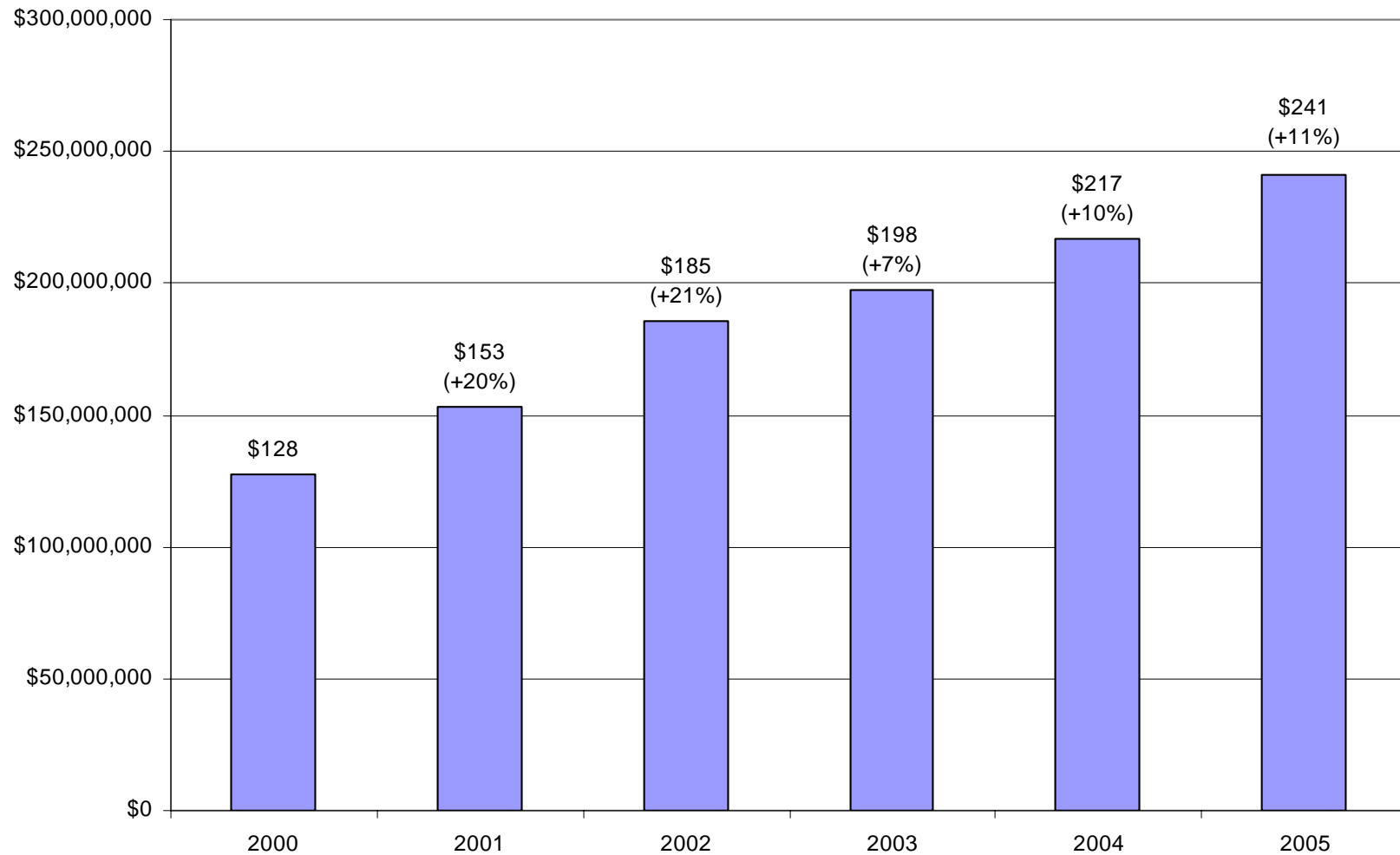
0 20 40 80 120 160 Miles



Nebraska Medicaid Prescription Drug Expenditures

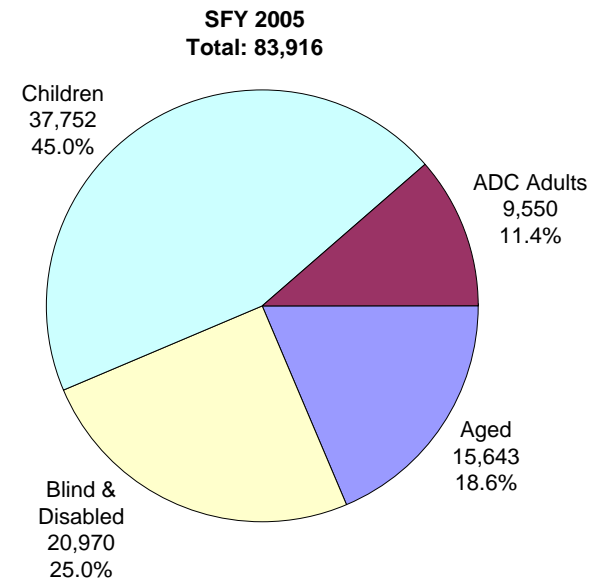
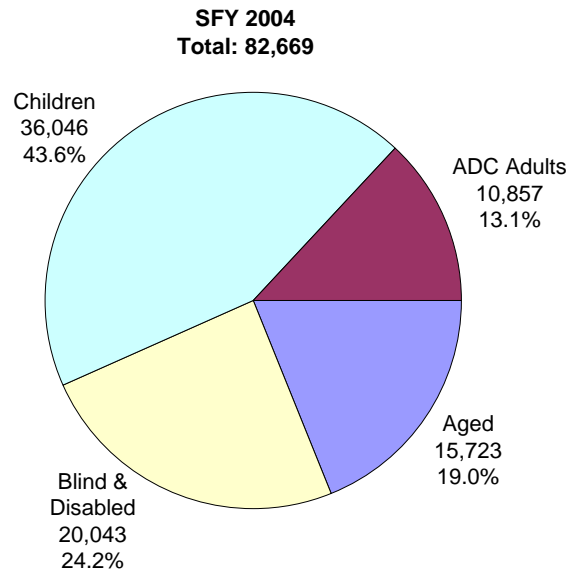
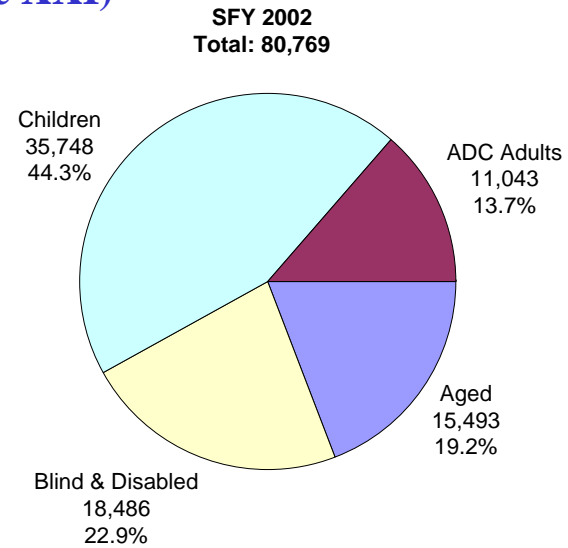
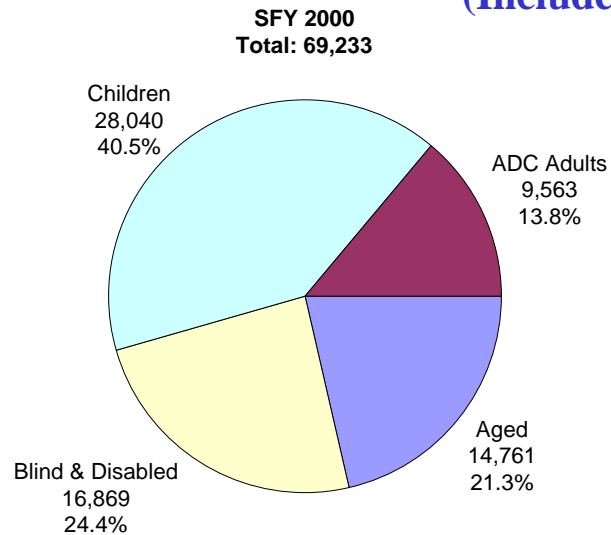
State Fiscal Year 2005

(Numbers Above Bars Represent Expenditures in Millions of Dollars and Percent Change from Previous Year)

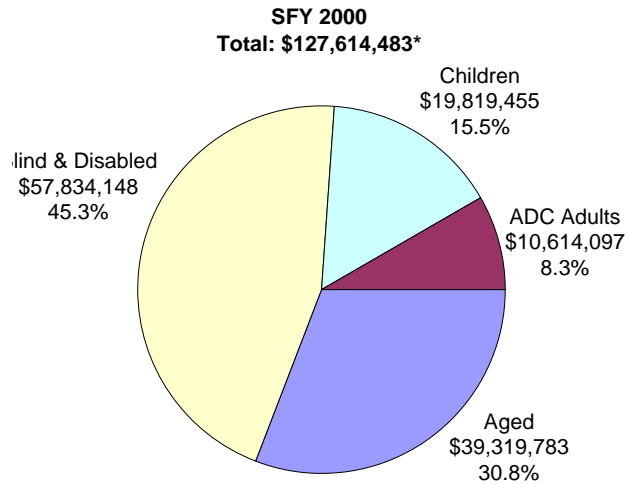


Nebraska Medicaid Prescription Drug Average Monthly Recipients

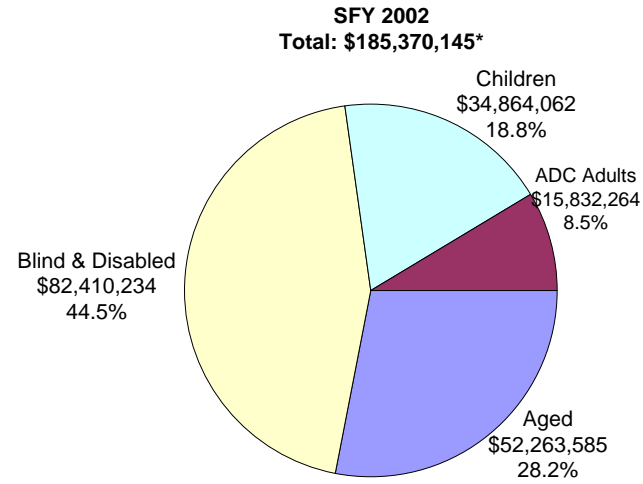
(Includes CHIP/Title XXI)



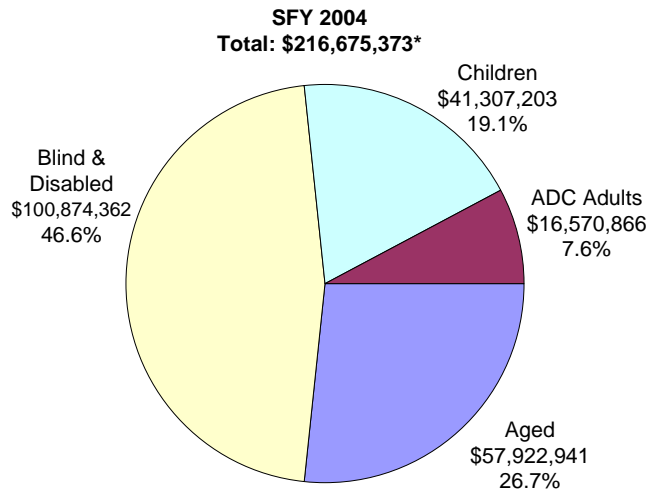
Nebraska Medicaid Prescription Drug Expenditures (Includes CHIP/Title XXI)



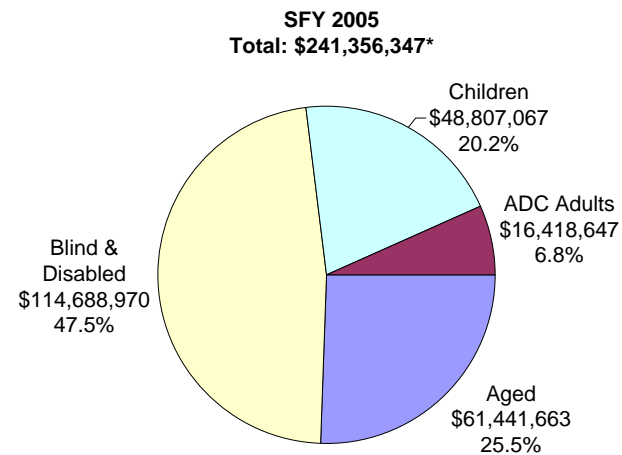
*Does not include prescription drug rebates of \$20.1 million



*Does not include prescription drug rebates of \$41.1 million



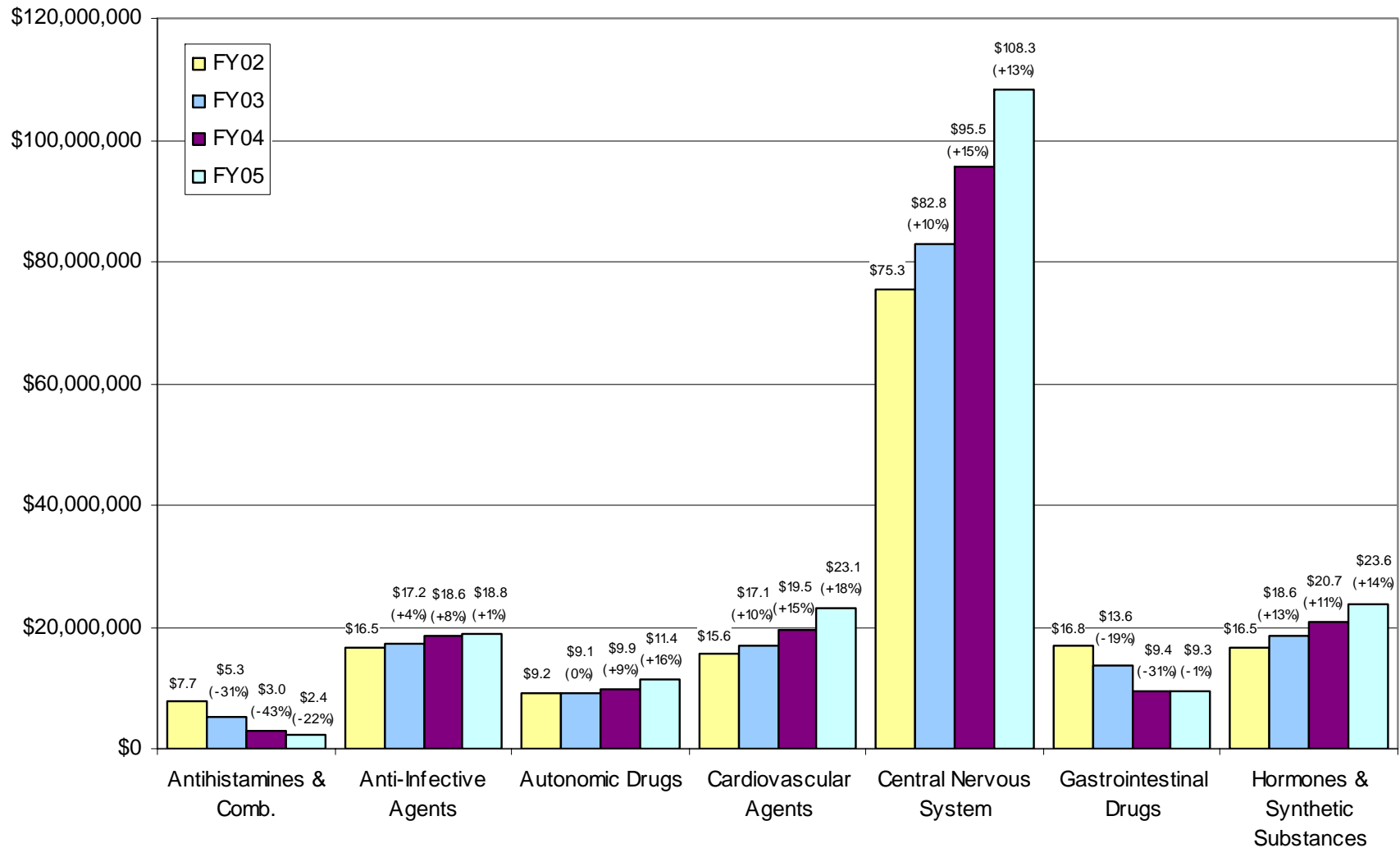
*Does not include prescription drug rebates of \$45.8



*Does not include prescription drug rebates of \$57.1 million

Nebraska Medicaid Prescription Drug Expenditures: Top 7 Therapeutic Classes - State Fiscal Year 2005

(Numbers Above Bars Represent Expenditures in Millions of Dollars)



REV. MAY 1, 2004 NEBRASKA HHS FINANCE NMAP SERVICES
MANUAL LETTER # 12-2004 AND SUPPORT MANUAL 471-000-84
471-000-84 Form MC-6, "Prescriber Certification" Form and Completion Instructions

Use: Prescribers use Form MC-6, "Prescriber Certification" form, to certify that a brand-name product of a federal upper limit (FUL) or state maximum allowable cost (SMAC) designated drug is medically necessary for the treatment of a Medicaid client. Use of this form allows the Department to pay for the brand-name product at the estimated acquisition cost (EAC) for the brand-name drug product.

Number Prepared: The prescriber and pharmacist complete one copy of the three-part Form MC-6.

Completion: By federal regulation, Form MC-6 must contain the legible handwritten signature of the prescribing practitioner. Rubber stamp signatures or initials will not be accepted. Form MC-6 is completed as follows: The prescriber enters the patient's name, case number and ID; drug name, strength, and NDC; prescription number (if known), prescriber's name and prescriber's license number; name of the dispensing pharmacy, and pharmacy provider number; and certification dates. The prescriber must sign and date the form.

Distribution: The prescriber keeps one copy for his/her records and mails the original Form MC-6 to the pharmacist. The pharmacist submits the original Form MC-6 to the designated contractor. The pharmacist keeps the remaining copy.

For printable form click here: [Prescriber Certification](#)

Retention: The designated contractor retains its copy as needed. The pharmacist and the prescriber may retain their copies as long as they choose.

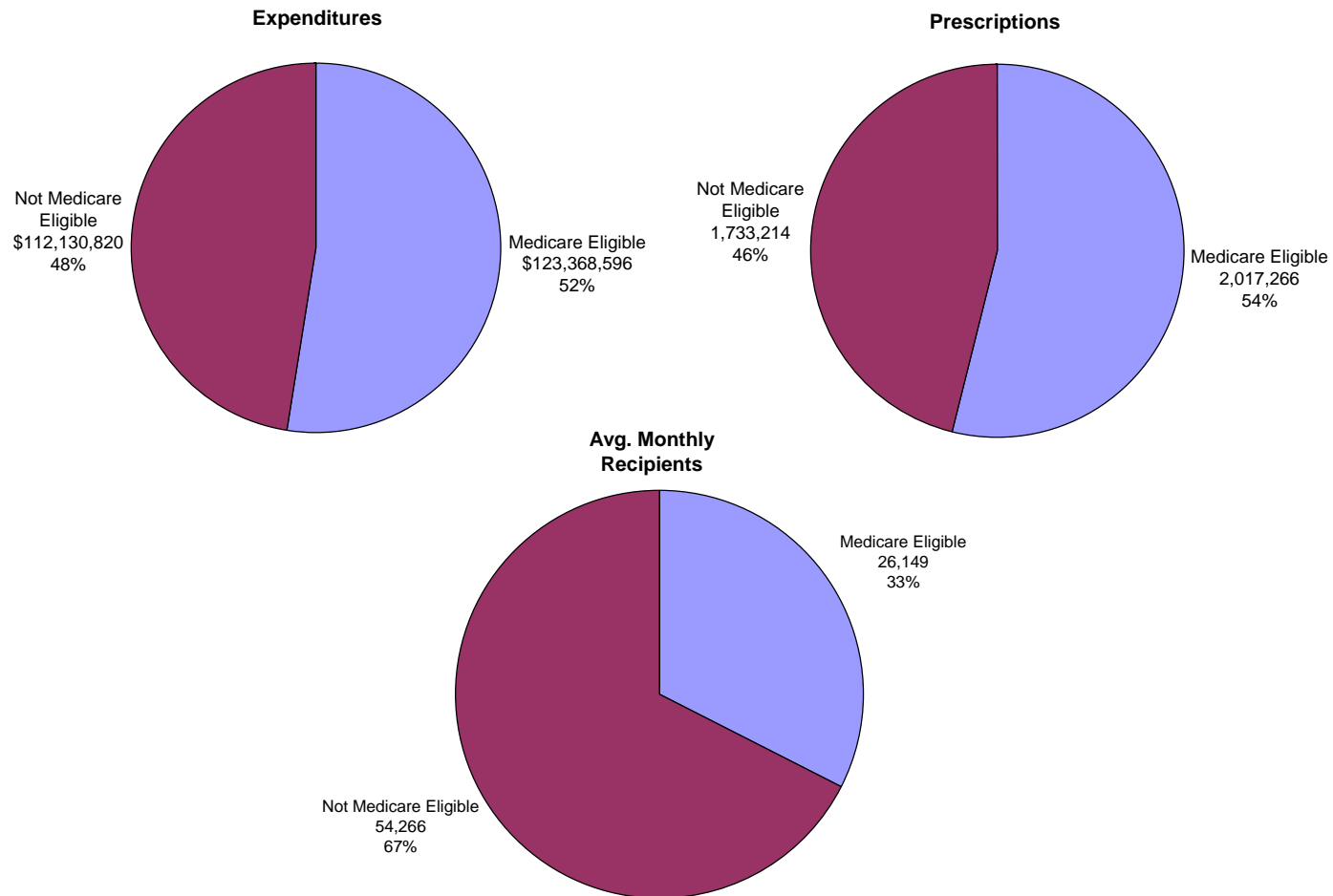
Continued on next page

REV. MAY 1, 2004 NEBRASKA HHS FINANCE NMAP SERVICES
MANUAL LETTER # 12-2004 AND SUPPORT MANUAL 471-000-84

Continued from previous page

Form Distribution: Completed top copy mail to ACS State Health Care, Attention: MC-6 Forms, P.O. Box 500699, Atlanta, GA 31150-0699 or Fax to (866-759-4115)	
Nebraska Health and Human Services System - Medicaid PRESCRIBER CERTIFICATION - this brand is medically necessary	
Patient's Name (Please Print)	Patient's Case Number and ID
Drug Name and Strength	Drug NDC Number
Prescription Number (if known)	
Prescriber's Name	Prescriber's ID Number
Dispensing Pharmacy	Dispensing Pharmacy's Medicaid Number
<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <div style="border-bottom: 1px solid black; width: 100%;"></div> <div style="display: flex; justify-content: space-between; font-size: small;"> Handwritten Signature of Prescriber Date </div> </div> <div style="width: 50%;"> <p style="margin: 0;">Certification Dates</p> <p style="margin: 0;">FROM: _____ TO: _____</p> <p style="margin: 0; font-size: small;">Date: (Month/Day/Year) Date: (Month/Day/Year)</p> <p style="margin: 0; font-size: x-small;">MC-6 Rev. 9/03 (63010) - (Prev. version 5/98 should NOT be used)</p> </div> </div>	

Nebraska Medicaid Prescription Drug* Expenditures, Recipients, and Number of Prescriptions by Client Medicare Eligibility State Fiscal Year 2005

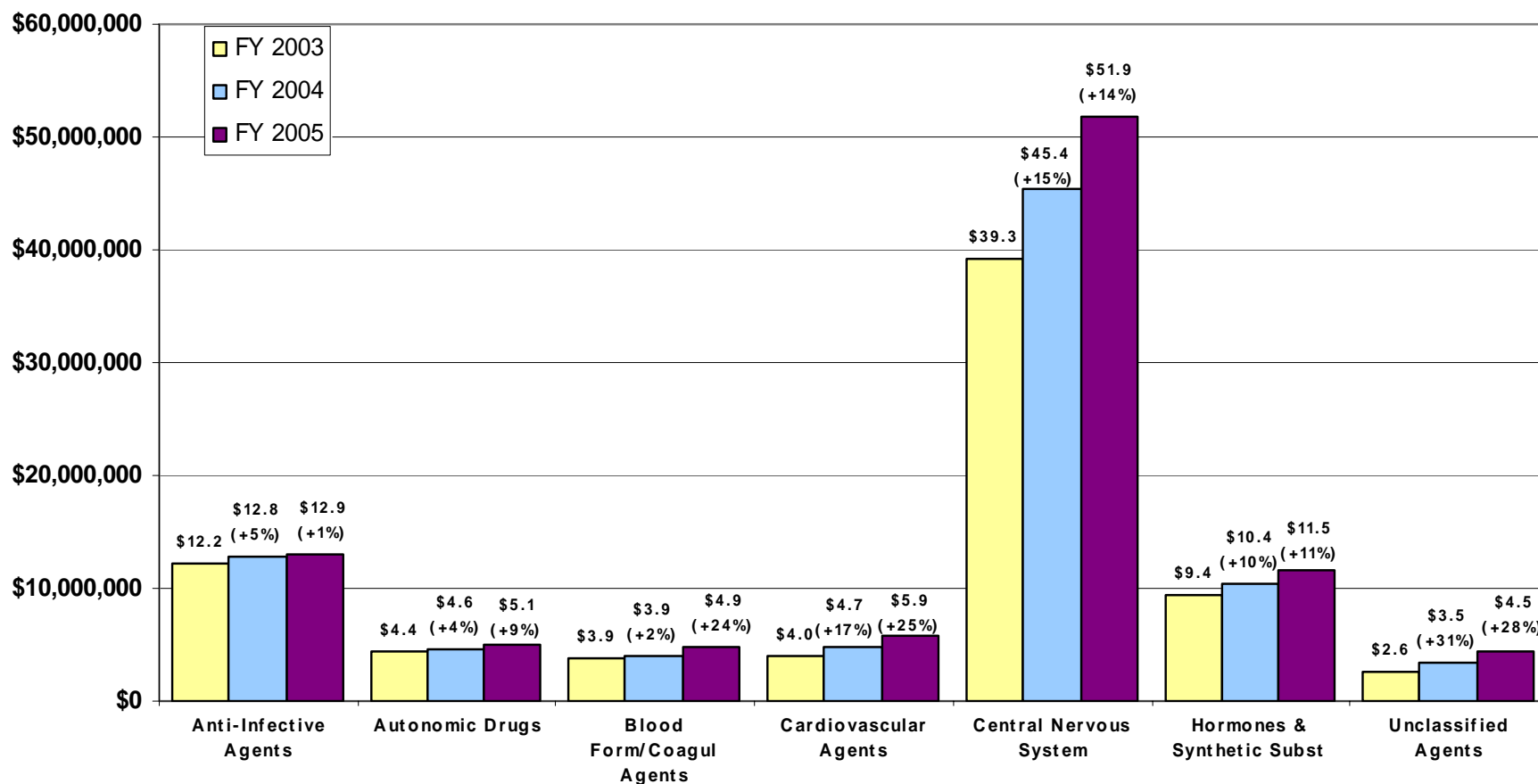


*Benzodiazepines, Cold/Cough Preparations, Barbituates, Vitamins, and Over the Counter Medications are not covered under Medicare Part D and are excluded from these charts

Nebraska Medicaid Prescription Drug Expenditures: Top 7 Therapeutic Classes Clients Not Eligible for the Medicare Prescription Drug Benefit

State Fiscal Year 2003-2005

(Numbers Above Bars Represent Expenditures in Millions of Dollars)

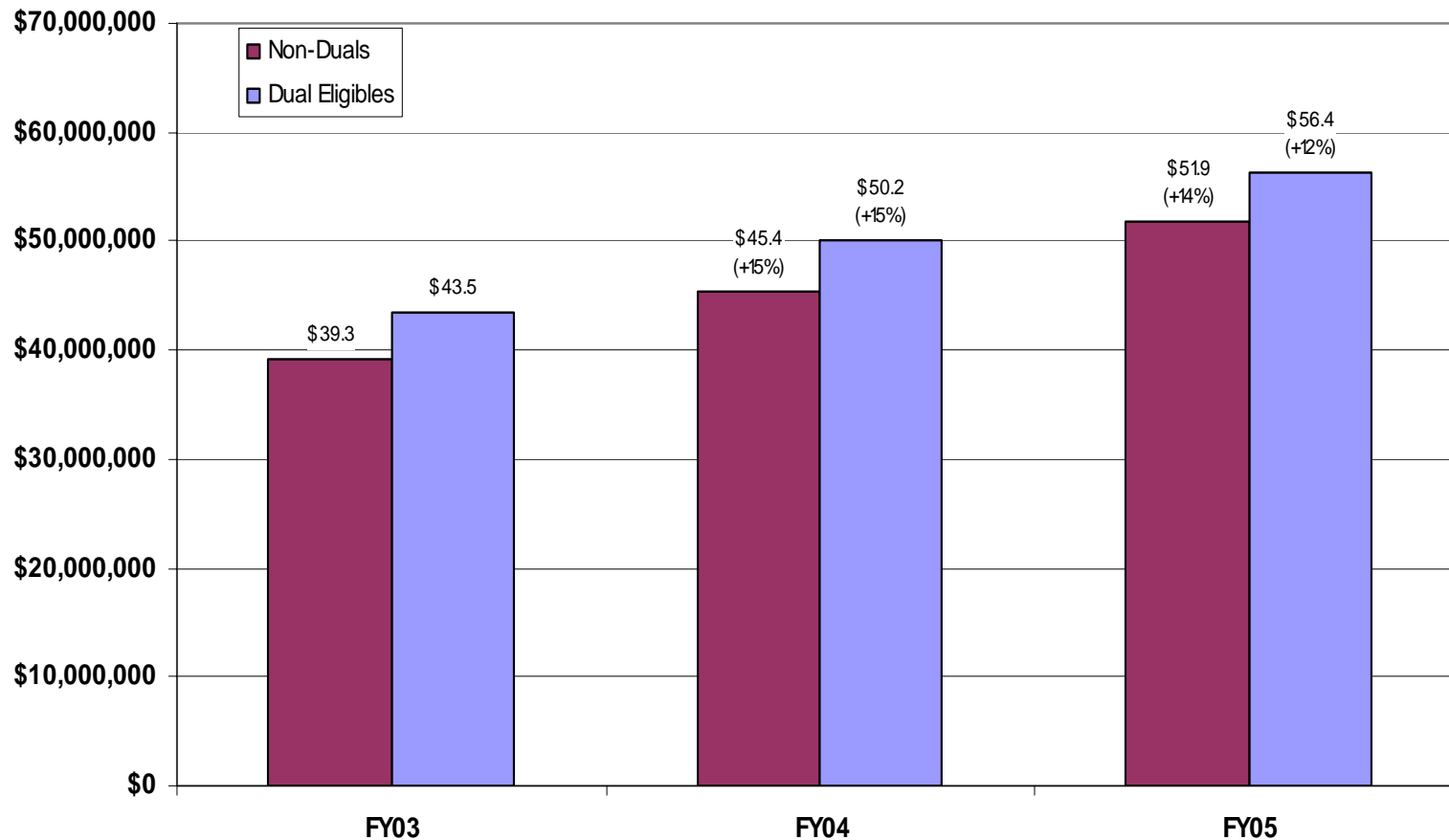


Nebraska Medicaid Prescription Drug Expenditures by Medicare Eligibility

Therapeutic Class = Central Nervous System

State Fiscal Year 2003-2005

(Numbers Above Bars Represent Expenditures in Millions of Dollars)



Website Address

Check the following address to view
more extensive HHSS Medicaid information –

www.hhss.ne.gov/med/reform